

Summer 2005

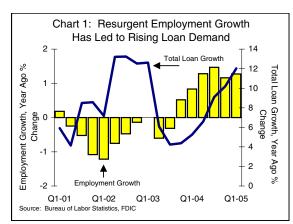
Arkansas

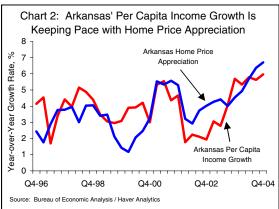
The Arkansas economy continues to expand, spurring growth for state-headquartered institutions.

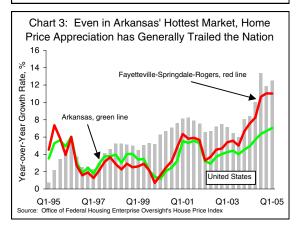
- The state experienced solid employment growth of 1.27 percent during first quarter 2005 (See Chart 1). Led by strong growth in the professional and business services and leisure and hospitality sectors, this is the fourth consecutive quarter of year-over-year growth of 1 percent or better.
- The resurgent state economy and favorable interest rate environment has spurred strong loan demand at state institutions during the past year. In particular, total loans secured by real estate rose 16 percent from one year ago.
- Similar to the nation, the Arkansas housing market has been active, contributing to the aforementioned real estate loan growth. However, unlike some housing markets in the nation, the rise in per capita income levels in Arkansas has remained in line with the rise in home prices (See Chart 2), thus helping to maintain a relatively good measure of housing affordability. Even Fayetteville-Springdale-Rogers, one of the most dynamic markets in the country, has trailed the national average for home price appreciation over the past five years (See Chart 3).
- The rise in interest rates, projected by some market observers, seems likely to have a more modest impact on the state's housing markets than in other areas of the country because a high level of affordability lessened the need for financing options which could stress consumers finances as rates rise, and decrease the number of potential purchasers. For example, in 2004, 24 percent of loans originated in Arkansas were adjustable rate mortgages compared to the national average of 35 percent.

The flattening yield curve is beginning to affect profitability.

The recent flattening of the yield curve, as a result of a
rise in short term interest rates caused a moderate amount
of net interest margin (NIM) compression at
state-headquartered institutions. In fact, 60 percent
reported lower NIMs in first quarter 2005 compared to
the previous year. The decline in the NIM is a result of







- costs on deposits and other funding liabilities rising faster than yields earned on loans and securities.
- NIM compression, along with slightly higher overhead expense, has led to reduced profitability at most state-headquartered institutions; 54 percent reported lower returns on assets in first quarter 2005 from the same period one year ago (See Chart 4).

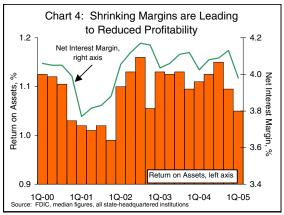
The effect of proposed changes in military bases will vary in Texarkana and Little Rock.

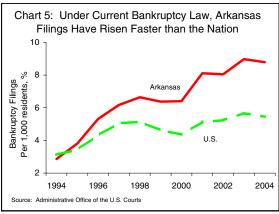
- Texarkana could suffer a serious economic blow as a result of the proposed Department of Defense's base closures. The city's largest employer, the Red River Army Depot, as well as the Lone Star Army Ammunition Plant, are both scheduled to close within the next six years. The two facilities account for 6.5 percent of the city's total employment base; approximately 4,400 direct and indirect jobs would be eliminated.¹
- As of June 30, 2004, there were nine financial institutions with 40 offices competing for \$1.5 billion in total deposits in the Texarkana MSA. Of those nine institutions, three are headquartered in the MSA, each relying on the local area for more than 50 percent of their total deposits.²
- After outperforming the state and nation in employment growth every quarter from fourth quarter 2002 to third quarter 2004, Little Rock's economic expansion cooled slightly over the two most recent quarters. However, prospects for continued solid growth were bolstered by the recent announcement that the Little Rock Air Force Base (Jacksonville) is expected to add approximately 6,500 jobs in the next six years.1

Recent bankruptcy reform could reduce the number of filings in the state.

- The recently enacted Bankruptcy Abuse Prevention and Consumer Protection Act aims to restrict a debtor's ability to file under Chapter 7 of the Bankruptcy Code. The most significant revision is the addition of "means testing," which allows the court to dismiss Chapter 7 bankruptcy petitions if an individual's household income is greater than the median income for their state. Under this new legislation, individuals failing the means test will be required to file under Chapter 13, which allows the courts to set up a partial-repayment program.
- Ten years ago, the per capita bankruptcy filing rate in Arkansas was slightly below the national average. Since that time, however, the state's rate has soared and is now

- nearly double the national rate (See Chart 5). In 2004, Arkansas had the fifth highest per capita bankruptcy rate in the nation with 8.78 fillings per 1,000 residents. Arkansas could possibly experience a surge in bankruptcy filings through October 17th when the new bankruptcy law goes into effect, as debtors already considering bankruptcy rush to take advantage of the existing rules.
- Proponents of the new law say that in the long term, the law will reduce the number of bankruptcy filings by reducing the benefits and raising the costs and social stigma attached to bankruptcy. On the other hand, critics say the new law also encourages lenders to extend credit more freely, leading to increased consumer indebtedness and, ultimately, more bankruptcy filings.





^{1&}quot;BRAC 2005 closure and realignment impact by economic area" Department of Defense, May 13, 2005. Available at http://www.defenselink.mil/brac

²Summary of Deposits data, most recent figures available.

Arkansas at a Glance

ECONOMIC INDICATORS	(Change from year	r ago quarter, unless noted)
----------------------------	-------------------	------------------------------

Total Norform (Infore of maling four quarter employment in parenthese)	Employment Growth Rates	Q1-05	Q1-04	Q1-03	Q1-02	Q1-01
Oher (non-manufacturing) (Goods) Producing (GSR) 3.7% 0.7% 4.4% 2.5% 1.2% Private Sevice-Producing (GSR) 1.5% 1.9% 1.2% 0.2% 1.2% Government (1/78) 1.2% 1.4% 0.8% 1.8% 1.8% 1.2% Unemployment Role (S of Ichor force) 5.4 5.7 5.6 5.2 4.43 Other Indicators 01-05 01-04 01-03 01-02 01-02 Personal Incore N.A 6.1% 3.7% 2.25 6.13 Single Family Home Permits 6.18% 3.4% 4.27% 5.12% 4.27% Multifornity Burding Fermits 6.18% 3.4% 4.4% 3.2% 5.2% 7.7% 3.2% Home Price Index 7.0% 4.4% 4.3% 3.2% 3.2% 1.5% 1.27% 3.2% 3.2% 1.5% 1.2% 1.4% 3.3% 3.2% 3.2% 1.5% 1.2% 9.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2%		1.3%	0.8%		-1.2%	0.2%
Private Service Producting (60%) 15% 15% 12% 0.2% 1.2% 0.2% 1.2% 0.0mm mod (17%) 1.2% 1.4% 0.3% 1.8% 1.5% 0.0mm mod (17%) 1.2% 1.4% 0.3% 1.8% 1.5% 1.5% 1.4% 0.3% 1.2% 1						
1.2% 1.2%	Other (non-manufacturing) Goods-Producing (5%)					
Denomployment Rote Sc of lobor force) 5.4 5.7 5.6 5.2 5.3 Chiber Indicators 10-10 10-10 10-10 10-10 Personal Income NA 5.1% 3.3% 3.2% 5.1% Single-Tamily Home Parmits 10.5% 11.8% 15.3% 1.3% 1.2% 5.1% Single-Tamily Home Parmits 10.5% 11.8% 15.3% 1.3% 1.2% 1.2% Multifamily Building Parmits 64.4% 4.0% 4.4% 62.7% 5.2.7% 5.2.5% Existing Home Soles 15.3% 7.7% 2.5% 7.7% 3.5% 5.5% Bankrupty Flinings per 1000 people (quarterly level) 2.39 2.31 2.21 2.11 2.09 BANKING TERMOS 10.70 10.70 10.70 10.70 10.70 10.70 Bankrupty Flinings per 1000 people (quarterly level) 10.70 10.	Private Service-Producing (60%)					
Distributionations Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Q1-05						
Personal Income NA 6.1% 3.7% 2.3% 6.1% 5.1% 5.3% 1.2% 1.2% 5.1%	Unemployment Rate (% of labor force)	5.4	5.7	5.6	5.2	4.3
Single Family Hame Permits	Other Indicators					
Mulfinnity Euidiling Permits Cales 5.3 % 6.2 % 6.2 % 5.2 % 5.2 % 5.2 % 5.2 % 5.2 % 5.2 % 5.3 % 5.2 % 5.2 % 5.3 % 5.3 %	Personal Income	N/A				
Existing frome Sole's 15.3% 6.7% 6.2% 7.7% 3.3% 1.5% 1.5% 4.4% 4.3% 2.2% 5.5% 1.5						
Home Price Index 7.0% 4.3% 4.3% 3.2% 5.5% 5.5% 5.5% 5.5% 5.6% 5.6% 5.6% 5.5% 5.6% 5.6% 5.5% 5.6% 5.6% 5.5% 5.5% 5.6% 5.6% 5.5% 5.5% 5.6% 5.6% 5.5% 5.6% 5.5% 5.6% 5.5% 5.5% 5.6% 5.5% 5.6% 5.5% 5.5% 5.5% 5.5% 5.6% 5.5% 5.5% 5.5% 5.6% 5.5% 5.5% 5.5% 5.6% 5.5% 5.						
BankING TRENDS						
BANKING TRENDS Concept Information Col-05 Col-04 Col-05 Col-04 Col-05						
Ceneral Information Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Institutions (# 100		2.39	2.31	2.21	2.11	2.09
Institutions (#) 167 188 176 182 194	BANKING TRENDS					
Total Assets (in millions) 41,372 38,482 38,102 31,915 29,812 New Institutions (# < 3 years) 1 0 3 5 8 Subchapier's Institutions (# < 3 years) 3 3 3 3 3 3 2 Asset Quality 01-05 01-04 01-03 01-02 01-01 Post-Due and Nonaccrual Loons / Total Loons (medion %) 2.25 2.50 3.34 2.84 2.64 ALILL/Total Loons (medion multiple) 1.49 1.47 1.37 1.22 1.18 ALILL/Noncurrent Loons (medion multiple) 1.49 1.43 1.26 1.17 1.41 ALILL/Noncurrent Loons (medion multiple) 1.49 1.43 1.26 1.17 1.41 ALILL/Noncurrent Loons (medion multiple) 1.49 1.43 1.26 1.17 1.41 ALILL/Noncurrent Loons (medion multiple) 1.49 1.40 0.1-03 0.1-02 0.1-01 Tier 1 Leverage (medion %) 9.70 10.02 9.50 9.16 9.40 Return on Assets (medion %) 9.70 10.02 9.50 9.16 9.40 Return on Assets (medion %) 1.43 1.49 1.46 1.44 1.35 Her Interest Morgin (medion %) 1.43 1.49 1.46 1.44 1.35 Her Interest Morgin (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.81 3.00 3.20 3.51 Provisions to Aye, Assets (medion %) 2.86 2.83 2.84 2.83 2.84 2.84 Liquidity / Sensitivity 01-05 01-04 01-03 01-02 01-04 Loons to Assets (medion %) 2.86 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.83 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.84 2.						
New Institutions \$ < 3 \ years 1 0 3 5 8 \ x \ x \ x \ x \ x \ x \ x \ x \ x \						
Subchapter S Institutions 33 32 31 30 22 Asset Quality O1-05 O1-04 O1-03 O1-02 O1-01 O1-05 O1-04 O1-03 O1-02 O1-03 O1-02 O1-03 O1-02 O1-03 O1-03 O1-02 O1-03		41,372				29,612
Past Quality Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Post-Due and Nonoccrual Loans (median %) 1.49 1.47 1.37 1.28 1.18 ALIL/Total Loans (median multiple) 1.49 1.33 1.26 1.17 1.41 ALIL/Noncurrent Loans (median multiple) 1.49 1.33 1.26 1.17 1.41 Net Loan Losses / Total Loans (median %) 0.22 0.21 0.24 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.21 0.24 0.22 0.22 0.21 0.24 0.22 0.22 0.21 0.24 0.22 0.						
Past-Due and Nonoccured Loans / Total Loans (median %)	Subchapter S Institutions	33	32	31	30	22
ALIL/Total Loans (median %)						
ALL Noncurrent Loons (median multiple) 1.49 1.33 1.26 1.17 1.41 Net Loon Losses / Total Loons (median %) 0.22 0.21 0.24 0.24 0.24 Capital Farmings 01-05 01-04 01-03 01-02 01-01 Tier 1 Leverage (median %) 9.70 10.02 9.50 9.16 9.40 Return on Assets (median %) 1.04 1.08 1.08 1.08 1.06 0.99 Pretox Return on Assets (median %) 1.43 1.49 1.46 1.44 1.35 Net Interest Margin (median %) 4.14 4.13 4.12 4.12 4.01 Yield on Earning Assets (median %) 6.96 6.93 7.07 7.31 7.52 Cost of Funding Earning Assets (median %) 0.18 0.20 0.22 0.22 0.22 Noriniterest Income to Avg. Assets (median %) 0.18 0.20 0.22 0.22 0.21 Noriniterest Income to Avg. Assets (median %) 0.73 0.77 0.70 0.70 Overhead to Avg. Assets (median %) 0.18 0.20 0.22 0.22 0.21 Noriniterest Income to Avg. Assets (median %) 0.19 2.85 2.88 2.86 2.90 Liquidity / Sensitivity 01-05 01-04 01-03 01-02 01-01 Loons to Assets (median %) 0.10 0.10 0.10 Loons to Assets (median %) 0.10 0.10 0.10 Loons to Assets (median %) 0.13 0.10 0.10 Loop-term Assets to Assets (median %) 0.13 0.10 0.10 Loop-term Assets to Assets (median %) 0.10 0.10 0.10 Loop-term Assets (median %) 0.10 0.10 0.10 Loop-term Assets (median %) 0.10 0.10 0.10 0.10 Loop-term Assets (median %) 0.10 0.10 0.10 0.10 Loop-term Assets (median %) 0.10 0.10 0.10 0.10 Commercial Real Estate 0.10 0.10 0.10 0.10 0.10 Commercial Real Estate 0.10 0.10 0.10 0.10 0.10 Commercial Real Estate 0.10 0.10 0.10 0.10 0.10 0.10 Commercial Real Estate 0.10						
Net Loan Losses / Total Loans (median %) Capital / Larnings Oli-05 Capital / Larnings Capital / Lar						
Capital / Earnings Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Fier Leverage (median %) 9.70 10.02 9.50 9.16 9.40 Return on Assets (median %) 1.04 1.08 1.08 1.08 0.08 Pretax Return on Assets (median %) 1.43 1.49 1.46 1.44 1.35 Nel Interest Margin (median %) 4.14 4.13 4.12 4.12 4.01 Yield on Earning Assets (median %) 2.86 6.63 7.07 7.31 7.52 Cost of Funding Earning Assets (median %) 2.86 2.81 3.00 3.20 3.61 Provisions to Avg. Assets (median %) 0.18 0.20 0.22 0.22 0.22 Noninterest Income to Avg. Assets (median %) 0.73 0.72 0.73 0.70 0.70 Overhead to Avg. Assets (median %) 0.10 0.10 0.10 0.10 Court of Funding Earning Assets (median %) 0.10 0.10 0.10 0.10 Court of Funding Earning Assets (median %) 0.10 0.10 0.10 0.10 0.10 Court of Earning Assets (median %) 0.10 0.10 0.10 0.10 0.10 Court of Earning Assets (median %) 0.10 0.10 0.10 0.10 0.10 Court of Earning Assets (median %) 0.10 0.10 0.10 0.10 0.10 Liquidity / Sensitivity 0.10 0.10 0.10 0.10 0.10 0.10 0.10 Lions to Assets (median %) 0.10 0.10 0.10 0.10 0.10 0.10 0.10 Lons to Assets (median %) 0.10 0.10 0.10 0.10 0.10 0.10 0.10 Earning to Assets (median %) 0.10 0						
Tier Leverage (median %) 9.70 10.02 9.50 9.16 9.40						
Return on Assets (median %) 1.04 1.08 1.06 0.99 Pretax Return on Assets (median %) 1.43 1.49 1.46 1.44 1.25 4.12 4.12 4.01 Net Interest Morgin (median %) 6.96 6.93 7.07 7.31 7.62 Cost of Funding Earning Assets (median %) 2.86 2.81 3.00 3.20 3.61 Provisions to Avg. Assets (median %) 0.73 0.72 0.73 0.70 0.70 Noninterest Income to Avg. Assets (median %) 0.73 0.72 0.73 0.70 0.70 Overhead to Avg. Assets (median %) 2.91 2.85 2.88 2.86 2.80 Liquidity / Sensitivity 0.105 0.104 0.103 0.10 0.70 Verhead to Avg. Assets (median %) 2.53 2.46 2.37 2.33 2.41 Loans to Assets (median %) 2.53 2.46 2.37 2.33 2.41 Long-term Assets to Assets (median %, call filers) 13.1 14.5 12.6 12.2 13.7						
Pretox Return on Assets (median %)						
Net Interest Margin (median %)						
Section Sect						
Cost of Funding Earning Assets (median %) 2.86 2.81 3.00 3.20 3.61 Provisions to Avg. Assets (median %) 0.18 0.20 0.22 0.22 0.21 Noninterest Income to Avg. Assets (median %) 0.73 0.73 0.70 Overhead to Avg. Assets (median %) 2.91 2.85 2.88 2.96 2.90 Liquidity / Sensitivity 01-05 01-04 01-03 01-02 01-01 Loans to Assets (median %) 61.0 59.5 60.5 61.5 62.3 Noncore Funding to Assets (median %) 25.3 24.6 23.7 23.3 24.1 Long-term Assets to Assets (median %) 25.3 24.6 23.7 23.3 24.1 Long-term Assets to Assets (median %) 25.3 3.00 3.00 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits (number of institutions) 79.2 81.6 84.3 88.4 100.8 Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 17.29 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 48 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 33.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE 1811 180.2 180.6 180.6 180.6 Largest Deposit Markets 1811 180.5 107.3 31.9 Memphis, TN-MS-AR 54 25.949 < \$250 million 129 (77.2%) Little Rock-North Little Rock, AR 35 9,164 \$250 million 151 billion Foyetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion Foyetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion Foyetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion Foyetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion						
Provisions to Avg. Assets (median %) 0.18 0.20 0.22 0.22 0.21 Noninterest Income to Avg. Assets (median %) 0.73 0.73 0.72 0.73 0.70 0.7						
Noninterest Income to Avg. Assets (median %) 0.73 0.72 0.73 0.70 0.70						
Overhead to Avg. Assets (median %) 2.91 2.85 2.88 2.86 2.90 Liquidity / Sensitivity Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Loans to Assets (median %) 61.0 59.5 60.5 61.5 62.3 Noncore Funding to Assets (median %) 25.3 24.6 23.7 23.3 24.1 Long-term Assets to Assets (median %, call filers) 13.1 14.5 12.6 12.2 13.7 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits to Assets (median % for those above) 5.3 4.0 5.0 2.6 3.2 Loan Concentrations (median % of Tier 1 Capital) Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Reside						
Liquidity / Sensitivity C1-05 C1-04 C1-03 C1-02 C1-01 Loans to Assets (median %) 61.0 59.5 60.5 61.5 62.3 Noncore Funding to Assets (median %) 25.3 24.6 23.7 23.3 24.1 Long-term Assets to Assets (median %, call filers) 13.1 14.5 12.6 12.2 13.7 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits to Assets (median % for those above) 5.3 4.0 5.0 2.6 3.2 Lane Concentrations (median % of Tier 1 Capital) C1-05 C1-04 C1-03 C1-02 C1-01 Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 172.9 149.7 145.7 143.2 118.3 Nonresidential Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 13.1 150.2 176.6 178.9 188.5 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Institutions in Deposits Asset Largest Deposit Markets Market (\$millions)						
Loans to Assets (median %) 61.0 59.5 60.5 61.5 62.3 Noncore Funding to Assets (median %) 25.3 24.6 23.7 23.3 24.1 Long-term Assets to Assets (median %, call filers) 13.1 14.5 12.6 12.2 13.7 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits to Assets (median % for those above) 5.3 4.0 5.0 2.6 3.2 Loan Concentrations (median % of Tier 1 Capital) 01-05 01-04 01-03 01-02 01-01 Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 48 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Institutions in Deposits Asset Distribution 129 (77.2%) Largest Deposit Markets Market (\$ millions)						
Noncore Funding to Assets (median %) 25.3 24.6 23.7 23.3 24.1						
Long-term Assets to Assets (median %, call filers) 13.1 14.5 12.6 12.2 13.7 Brokered Deposits (number of institutions) 43 38 42 38 51 Brokered Deposits to Assets (median % for those above) 5.3 4.0 5.0 2.6 3.2 Loan Concentrations (median % of Tier 1 Capital) 01-05 01-04 01-03 01-02 01-01 Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 172.9 149.7 145.7 143.2 1118.3 Commercial Real Estate 172.9 149.7 145.7 143.2 1118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 4.8 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Institutions in Deposits Salar Salar Largest Deposit Markets Market Salar Salar Largest Deposit Markets Salar						
Brokered Deposits (number of institutions) 43 38 42 38 51						
Brokered Deposits to Assets (median % for those above) 5.3 4.0 5.0 2.6 3.2						
Loan Concentrations (median % of Tier 1 Capital) Q1-05 Q1-04 Q1-03 Q1-02 Q1-01 Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 4.8 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Largest Deposit Markets Market (\$millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 <\$250 million to \$10 billion						
Commercial and Industrial 79.2 81.6 84.3 88.4 100.8 Commercial Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 4.8 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Institutions in Market (\$ millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 < \$250 million	•					
Commercial Real Estate 172.9 149.7 145.7 143.2 118.3 Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 4.8 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Institutions in Deposits Asset Largest Deposit Markets Market (\$ millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 < \$250 million 129 (77.2%) 1 Little Rock-North Little Rock, AR 35 9,164 \$250 million to \$10 billion 33 (19.8%) 6 7 7 7 7 1 1 1 1 1 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Construction & Development 44.9 28.8 24.2 23.4 22.9 Multifamily Residential Real Estate 4.8 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Largest Deposit Markets Market (\$millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 <\$250 million						
Multifamily Residential Real Estate 4.8 4.0 3.7 4.1 4.5 Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3 Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Institutions in Deposits Markets Market (\$ millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 <\$250 million						
Nonresidential Real Estate 120.6 113.8 108.5 107.3 83.3						
Residential Real Estate 152.1 150.2 176.6 178.9 188.6 Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Largest Deposit Markets Market (\$ millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 <\$250 million						
Consumer 54.6 58.1 68.6 81.4 86.3 Agriculture 44.4 39.1 44.8 45.3 47.5 BANKING PROFILE Largest Deposit Markets Institutions in Market Deposits (\$millions) Asset Memphis, TN-MS-AR 54 25,949 <\$250 million						
BANKING PROFILE Largest Deposit Markets Market (\$ millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 <\$250 million	Consumer	54.6	58.1	68.6	81.4	86.3
Largest Deposit Markets Market (\$ millions) Deposits Asset Memphis, TN-MS-AR 54 25,949 <\$250 million	Agriculture	44.4	39.1	44.8	45.3	47.5
Largest Deposit Markets Market (\$ millions) Deposits Asset Memphis, TN-MS-AR 54 25,949 <\$250 million	•					
Largest Deposit Markets Market (\$ millions) Distribution Institutions Memphis, TN-MS-AR 54 25,949 <\$250 million		Institutions in	Denosits		Asset	
Memphis, TN-MS-AR 54 25,949 <\$250 million 129 (77.2%) Little Rock-North Little Rock, AR 35 9,164 \$250 million to \$1 billion 33 (19.8%) Fayetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion 5 (3%) Fort Smith, AR-OK 22 3,400 >\$10 billion 0 (0%)	Largest Deposit Markets					Institutions
Little Rock-North Little Rock, AR 35 9,164 \$250 million to \$1 billion 33 (19.8%) Fayetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion 5 (3%) Fort Smith, AR-OK 22 3,400 >\$10 billion 0 (0%)				-		
Fayetteville-Springdale-Rogers, AR-MO 25 5,504 \$1 billion to \$10 billion 5 (3%) Fort Smith, AR-OK 22 3,400 >\$10 billion 0 (0%)				\$250 n		
Fort Smith, AR-OK 22 3,400 >\$10 billion 0 (0%)				\$1 bi		
Jonesboro, AR 16 1,847	Fort Smith, AR-OK		3,400		>\$10 billion	
	Jonesboro, AR	16	1,847			